

REMARKS

The Non-Final Office Action mailed March 13, 2008, has been received and reviewed. Prior to the present communication, claims 1, 4, 6, 7, 9-12, 15-23 and 26-38 were pending in the subject application. All claims stand rejected. In particular, claims 1, 4, 6-7, 9-11 and 37-38 stand rejected under 35 U.S.C. § 101, while claims 1, 4, 6-7, 9-12, 15-23 and 26-38 stand rejected under 35 U.S.C. § 102(e). In response, each of claims 1, 4, 6, 7, 9-12, 15, 18, 20, 23, 34, 35, 37 and 38 has been amended herein, while no claims have been canceled or added. As such, claims 1, 4, 6, 7, 9-12, 15-23 and 26-38 remain pending. It is submitted that no new matter has been added by way of the present amendments. Reconsideration of the subject application is respectfully requested in view of the above amendments and the following remarks.

Support for Specification Amendments

By disclosing in a patent application a “system” that inherently performs a function or has a property, operates according to a theory or has an advantage, a patent application necessarily discloses that function, theory or advantage, even though it says nothing explicit concerning it.¹ Accordingly, an “application may later be amended to recite the function, theory or advantage without introducing new matter.”² Here, the use of hardware/physical components is inherent in operation of the system (see FIG. 1) that performs various tasks, applications, and functions directed toward automatic conditioning of clinically related billing. As such, the definition of “computer system” from the Microsoft Computer

¹ MPEP § 2163.07.

² *In re Reynolds*, 443 F.2d 384 (CCPA 1971).

Dictionary,³ may be properly added to the Specification. The language of the definition, as provided in the Microsoft Computer Dictionary, reads as follows:

Computer System *n.* The configuration that includes all functional components of a computer and its associated hardware. A basic microcomputer system includes a console, a system unit, within one or more disk drives, a monitor, and a keyboard. Additional hardware, called peripherals, can include such devices as a printer, a modem, and a mouse. Software is usually not considered part of a computer system, although the operating system that runs the hardware is known as system software.

As stated in MPEP § 2163.07, “The mere inclusion of dictionary or art recognized definitions known at the time of filing an application would not be considered new matter.” In this instance, the definition is extracted from a recognized dictionary in the relevant filed of computing which was published in 2002, before the filing date of the present application on January 2, 2004. Accordingly, this inclusion of inherent material, where the same meaning remains intact, is not new matter and is permissible.⁴

Support for Claim Amendments

Independent claims 1 and 23 have been amended herein to recite a clarification of the process of verifying a preliminary billing item against a compliance template, and in particular, clarifies the configuration of the compliance template itself. Support for these claim amendments may be found in the Specification, for example, at pg. 2, paragraph [0016] ptpub., and at pgs. 2-3, paragraphs [0019]-[0021] ptpub. Independent claim 12 has been amended herein

³ MICROSOFT COMPUTER DICTIONARY 121 (5th ed. 2002).

⁴ *In re Anderson*, 471 F2d 1237 (CCPA 1973).

to recite a compliance process for verifying the accuracy of a preliminary billing item. Support for this amendment may be found in the Specification, for example, at pg. 3, paragraphs [0020]-[0024] ptpub.

In general, amendments to the claimed subject matter is not "new matter" within meaning of 35 U.S.C. § 132 or Rule 118 of Patent Office Rules of Practice, unless it discloses an invention, process, or apparatus not theretofore described. Further, if later-submitted material simply clarifies or completes prior disclosure it cannot be treated as "new matter."⁵ Accordingly, because these amendments are either implicit or clearly expressed in the procedure of determining compliance of the preliminary billing item, as disclosed in the Detailed Description, the newly recited subject matter does not constitute new matter.

Rejections based on 35 U.S.C. § 101

Claims 1, 4, 6, 7, 9-11, 37 and 38 stand rejected under 35 U.S.C. § 101 for being directed toward non-statutory subject matter. In particular, it is stated in the Office Action at page 3, lines 10-15, that independent claim 1 does not define "engine," and, when read in its broadest and most reasonable interpretation, could envelop software per se embodiments.

In response, the Specification has been amended, as discussed above, to clarify "computer system," as recited by amended claim 1, to include hardware/physical embodiments. In addition, the term "engine" is defined in the Specification, as amended herein, to include a processor (hardware component).

Page 3 of the Office Action alleges that claim 1 appears to be software *per se*. The Applicant has amended claim 1 such that it recites a "computer system for conditioning

⁵ Triax Co. v Hartman Metal Fabricators, Inc., 479 F2d 951 (1973, CA2 NY); cert. denied, 94 S. Ct. 843 (1973).

clinically related billing items, having a plurality of computer software components embodied thereon.” The Applicant respectfully submits that claim 1, as amended, is not directed to software *per se*. Although claim 1 includes software components, the claim is directed to a computer system having the software components embodied on hardware/physical embodiments, as discussed above. As MPEP § 2106 indicates, “[c]omputer programs are often recited as part of a claim. Office personnel should determine whether the computer program is being claimed as part of an otherwise statutory manufacture or machine. In such a case, the claim remains statutory irrespective of the fact that a computer program is included in the claim. . . . Only when the claimed invention taken as a whole is directed to a mere program listing, i.e., to only its description or expression, is it descriptive material *per se* and hence nonstatutory”. Accordingly, the Applicant respectfully submits that claim 1, as amended, is directed to statutory subject matter, and, as such, request withdrawal of the rejection under 35 U.S.C. § 101.

Accordingly, it is respectfully submitted that amended claim 1 is directed toward statutory subject matter. Further, each of claims 4, 6, 7, 9-11, 37, and 38 are believed to be in condition for allowance based, in part, upon their dependency from independent claim 1, and such favorable action is respectfully requested.

Rejections based on 35 U.S.C. § 102

A.) Applicable Authority

Anticipation “requires that the same invention, including each element and limitation of the claims, was known or used by others before it was invented by the patentee.”⁶ “[P]rior knowledge by others requires that all of the elements and limitations of the claimed

⁶ MPEP § 2131, *passim*; *Hoover Group, Inc. v. Custom Metalcraft, Inc.*, 66 F.3d 299, 302 (Fed. Cir. 1995).

subject matter must be expressly or inherently described in a single prior art reference.”⁷ “The single reference must describe and enable the claimed invention, including all claim limitations, with sufficient clarity and detail to establish that the subject matter already existed in the prior art and that its existence was recognized by persons of ordinary skill in the field of the invention.”⁸

B.) Anticipation Rejection Based on U.S. Application No. 2003/0191667 to Fitzgerald

Claims 1, 4, 6-7, 9-12, 15-23 and 26-38 stand rejected under 35 U.S.C. 102(e) as being anticipated by U.S. Application No. 2003/0191667 to Fitzgerald. (hereinafter the “Fitzgerald reference”). As the Fitzgerald reference does not describe, either expressly or inherently, each and every element the rejected claims 1, 4, 6-7, 9-12, 15-23 and 26-38, the Applicant respectfully traverses the rejection of these claims, as hereinafter set forth.

Independent claim 1, as amended hereinabove, recites a computer system for conditioning clinically related billing items, where the computer system comprises a conditioning engine that performs a variety of operations. In one instance, the conditioning engine is configured for analyzing (as a condition precedent to transmitting the billing item to a paying party) a preliminary billing item by comparison against a compliance template to determine compliance therewith. Specifically, “the compliance template is *configured in accordance with the preliminary billing item and comprises data fields that, when satisfied, qualify the preliminary billing item under at least one regulatory guideline*” (emphasis added). In this way, the compliance template includes data fields that are dynamically selected based on

⁷ *Elan Pharms., Inc. v. Mayo Foundation for Medical Educ. & Research*, 304 F.2d 1221, 1227 (Fed. Cir. 2002) (citing *In re Robertson*, 169 F.3d 743, 745 (Fed. Cir. 1999); *Constant v. Advanced Micro-Devices, Inc.*, 848 F.2d 1560, 1571 (Fed. Cir. 1988)).

⁸ *Id.* (emphasis added)(citing *Crown Operations Int’l, Ltd. v. Solutia Inc.*, 289 F.3d 1367, 1375 (Fed. Cir. 2002); *In re Spada*, 911 F.2d 705, 708 (Fed. Cir. 1990)). See also, *PPG Indus., Inc. v. Guardian Indus. Corp.*, 75 F.3d 1558, 1566 (Fed. Cir. 1996).

attributes of the preliminary billing item, and the selected data fields are satisfied in order to find the preliminary billing item in compliance for distribution.

In a substantially similar manner, independent claim 23 recites, in part, a method for analyzing a preliminary billing item by comparison against at least one regulatory guideline to determine compliance therewith. Claim 23 further recites that the “*compliance template is configured in accordance with the preliminary billing item* and comprises data fields that, when satisfied, qualify the preliminary billing item being compliant,” and where “*the at least one regulatory guideline comprises one of the data fields*” (emphasis added).

The Fitzgerald reference does not disclose a process for determining compliance of a preliminary billing item that includes the steps of (a) selecting data fields based on the preliminary billing item, and (b) satisfying the selected data fields in order to find the preliminary billing item in compliance for distribution to a paying party. Instead, Fitzgerald evaluates claims data—related to provision of healthcare—for accuracy by using rules to validate the claim data for processing payment.⁹ These rules are derived from a repository and may be continuously updated and maintained.¹⁰ Further, these rules may contain one or more tests to identify a true condition and initiate a first set of actions or a false condition and initiate a second set of actions.¹¹ However, these rules are not comparable to a data field as defined by the Specification. Moreover, the rules are not selected based on the billing item, but generally derived from a repository, as discussed above. As such, the Fitzgerald reference does not teach each and every element of the independent claims 1 and 23.

⁹ See *Fitzgerald reference* at pg. 3, ¶ [0025].

¹⁰ *Id.* at pg. 3, ¶ [0026].

¹¹ *Id.* at pg. 4, ¶ [0033].

For at least the reasons stated above, the Applicant contends that claims 1 and 23 are not anticipated by Fitzgerald and are in condition for allowance. Each of claims 4, 6, 7, 9-11, 26-34, 37, and 38 is believed to be in condition for allowance based, in part, upon their dependency from claims 1 and 23, respectively, and such favorable action is respectfully requested.¹²

Dependent claim 4, in addition to its dependence from claim 1, further overcomes the § 102(e) rejection based on features recited therein. Specifically, claim 4 recites, in part, a conditioning engine that is further configured for “verifying the existence of the at least one of mandatory documentation by automatically scanning ancillary clinical data stores,” and for “*affirming data elements at the clinical data stores against the data fields of the compliance template by checking evidentiary support for the at least one of mandatory documentation,*” wherein “the evidentiary support comprises at least one record that supports the preliminary billing item” (emphasis added). The Fitzgerald reference does not describe (a) scanning clinical data stores for evidentiary support that mandatory documentation exists, (b) utilizing the evidentiary support to verify the existence of mandatory documentation, thereby (c) satisfying the data fields of the compliance template. Instead, Fitzgerald simply applies rules that administer a test on a billing item, where the outcome of the test is either a “true” or “false” result.¹³ As such, for at least these reasons, dependent claim 4 is not anticipated by Fitzgerald and is in condition for allowance.

Further, independent claim 12, as amended herein, recites a method for conditioning clinically related billing items. In particular, the method includes, *inter alia*, “receiving a preliminary billing item,” “analyzing, as a condition precedent to transmitting the

¹²See 37 C.F.R. § 1.75(c) (2006).

preliminary billing item to a paying party, the preliminary billing item by comparison against at least one regulatory guideline to determine compliance therewith,” “determining that the preliminary billing item complies with the at least one regulatory guideline upon performing a compliance process,” and “transmitting a verified billing item to the paying party, *wherein the verified billing item includes the compliant billing item and the supporting at least one of the mandatory documentation used to verify compliance with the compliance template*” (emphasis added). In this way, the mandatory documentation that is utilized to satisfy the compliance template is attached to the billing item upon transmission to a paying party.

The Fitzgerald reference does not describe a “verified billing item” and the components thereof as recited by claim 12. Instead, Fitzgerald describes a process of simply submitting claim data to a payer.¹⁴ This claim data is loosely comparable to a portion of the billing item as recited in the claimed invention. But, the Fitzgerald reference fails to teach attaching mandatory documentation with the claim data when transmitting to a payer. Accordingly, independent claim 12 is not anticipated by Fitzgerald for at least that reason.

Also, independent claim 12 is presently amended to clarify the “compliance process” as comprising “(a) interrogating a compliance template, that includes the at least one regulatory guideline as a data field, to determine criteria that qualifies the preliminary billing item under the at least one regulatory guideline,” and “(b) satisfying the criteria upon verifying the existence of at least one of mandatory documentation that supports the preliminary billing item.” In this way, resources are scanned to locate mandatory documents that correspond to the data fields of the compliance template, and if identified, the data fields are satisfied and the preliminary billing item is deemed compliant. In contrast, the Fitzgerald reference utilizes rules

¹³ See *Fitzgerald reference* at pg. 3, ¶ [0025].

to evaluate a billing item, which do not correspond with either data fields or the mandatory documentation used to satisfy the data fields.¹⁵

As such, for at least the reasons stated above, the Applicant contends that claim 12 is not anticipated by Fitzgerald and is in condition for allowance. Each of claims 15-22, and 35 is believed to be in condition for allowance based, in part, upon their dependency from claim 12, and such favorable action is respectfully requested.¹⁶

¹⁴ See *Fitzgerald reference* at pg. 6, ¶ [0042].

¹⁵ *Id.*

¹⁶ See 37 C.F.R. § 1.75(c) (2006).

CONCLUSION

For at least the reasons stated above, each of claims 1, 4, 6, 7, 9-12, 15-23 and 26-38 is believed to be in condition for allowance. The Applicant respectfully requests withdrawal of the pending rejections and allowance of the claims. If any issues remain that would prevent issuance of this application, the Examiner is urged to contact the undersigned—by telephone at **816.559.2136** or via email at btabor@shb.com (such communication via email is herein expressly granted)—to resolve the same prior to issuing a subsequent action.

It is believed that no fee is due in conjunction with the present communication. However, if this belief is in error, the Commissioner is hereby authorized to charge any amount required to Deposit Account No. 19-2112, referencing attorney docket number CRNI.110509.

Respectfully submitted,

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